

As others have noted, this budget resolution is not perfect.

No one of us would have proposed precisely the same combination of provisions we have in this resolution, that is the nature of political compromise.

The result, however, is a package of provisions that does provide the opportunity to reach balance.

Mr. President, balancing our budget has been my highest priority as a Member of this body.

I ran on that issue in 1992, and I am pleased that we will enact a budget outline that puts us on track to achieve that goal.

Mr. President, it is important to note that this agreement would not have been possible without the President's deficit reduction package enacted in 1993.

Some now estimate that package achieved approximately \$2 trillion in deficit reduction between 1993 and 2002.

By contrast, the deficit reduction achieved in this year's budget outline is much smaller, but it is still an important accomplishment.

Mr. President, I think it also needs to be said this important accomplishment was achieved without amending our Constitution.

Indeed, I am convinced that the lack of a constitutional amendment pushed both sides to get the job done right now.

No one was able to say to their constituents: "Well, we passed a constitutional amendment to balance the budget, now it's up to State legislatures."

Mr. President, we still have a ways to go.

This budget resolution is only the beginning; we still have to enact the necessary spending cuts to reach balance.

More importantly, our longer-term budget prospects need much more serious work.

In fact, my biggest concern is that the agreement leaves enough room for either or both sides to push tax or spending policies that worsen our longer-term budget prospects.

I am particularly concerned that while the tax cut agreement may look sustainable in the budget resolution, it may become entirely unsustainable in the long-run, and only aggravate the serious budget problems we know we will face with the retirement of the baby boomers.

We all must continue the bipartisan commitment reflected by this budget agreement to ensure the resulting tax and spending legislation does not undermine either the immediate goal of that agreement—balancing the unified budget—nor our ability to take the next critical steps—enacting necessary entitlement reform, balancing the budget without relying on the Social Security trust funds, and beginning to reduce our national debt.

Mr. President, while many can be congratulated for the work done to produce this budget, I want to note especially the work done by our Budget Committee Chairman, the senior Sen-

ator from New Mexico [Mr. DOMENICI] and our ranking member, the senior Senator from New Jersey [Mr. LAUTENBERG].

I joined the Budget Committee this past January, and this is my first experience as a member in working on a budget resolution.

To say the least, Mr. President, it has been a remarkable first experience.

We all realize that reaching this kind of settlement is not simply a matter of finding policies on which there is agreement.

The character and good will of the negotiators makes an enormous difference, and both sides of the aisle were well represented in this regard.

Mr. President, understandably, we often find ourselves focusing on the developing details of the agreement as the negotiations proceeded, and we all have specific matters to which we pay special attention.

All of that is appropriate.

But we often lose sight of the big picture, and the big picture here is that this budget resolution gives us the opportunity to actually achieve balance in the unified budget by 2002.

That is an historic achievement, and a great deal of the credit for that achievement should go to our chairman and ranking member.

I am proud to serve with them, and delighted to be a member of the committee they oversee.

I look forward to working with them next year on a budget resolution that takes the next important steps: enacting necessary entitlement reforms, achieving true balance without using the Social Security trust funds, and reducing the national debt.

MORNING BUSINESS

Mr. DOMENICI. I ask unanimous consent there now be a period for the transaction of morning business with Senators permitted to speak up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

OECD SHIPBUILDING AGREEMENT IMPLEMENTING LEGISLATION

Mr. LOTT. The congressional participation in the OECD shipbuilding agreement continues in the 105th Congress. On April 22, 1997, Senator BREAUX introduced S. 629, the OECD Shipbuilding Agreement Act. On April 30, 1997, the Senate Committee on Commerce, Science, and Transportation, chaired by Senator MCCAIN, held a hearing on trade matters which included the OECD shipbuilding agreement. On June 5 that hearing will be continued with the focus on this particular maritime trade policy.

I must say that S. 629 represents the administration's attempt to reconcile their earlier legislative proposal made in the 104th Congress with the successful amendment made by the House of Representatives to that bill. Let me be

clear, while the current bill does not address all of the concerns voiced by America's largest shipbuilders, it is a positive step in the right direction. My colleagues must not ignore it.

It also begins to deal with issues I raised in my two colloquies in the Senate with Senator SNOWE.

I intend to work with Senator BREAUX to amend S. 629 so that all appropriate maritime solutions are incorporated. At a recent maritime function, I challenged the audience to examine the new language and to offer constructive improvements. Our Nation has international maritime responsibilities and we must respond to the challenge.

I believe that with the introduction of S. 629, the administration has made an honest attempt to address the majority of the concerns.

I plan on working with my colleagues in both the Senate and the House of Representatives to ensure that acceptable ratification and implementation legislation for the OECD shipbuilding agreement is passed by this Congress.

Mr. BREAUX. I thank the majority leader for his efforts to address the concerns of all U.S. shipbuilders while achieving proper ratification and implementation of this important international agreement.

Mr. LOTT. A primary thrust of the amendment in the 104th Congress by the House of Representatives was to clarify that the agreement shall not affect in any way the Jones Act and other laws related to our essential coastwise trade. My colleagues know my position on the Jones Act—I support it unequivocally. I believe the language in S. 629 also supports the Jones Act by requiring the withdrawal of the United States from the agreement if it interferes with our coastwise trade laws. However, I am continuing to work with Senator BREAUX to further strengthen this provision.

Mr. BREAUX. I agree with the majority leader. This legislation represents a strong reaffirmation to the world of the United States steadfast support for the Jones Act.

Furthermore, the House of Representatives amended H.R. 2754 to clearly preserve the authority of the Secretary of Defense to define, for the purposes of exclusion from coverage under the agreement, the terms "military vessel", "military reserve vessel", and "essential security interest". While the administration and the Office of the USTR attempted to define "military reserve vessel" by including a description of current military reserve vessel programs, some have expressed concerns that this approach might in the future limit the flexibility of the Secretary of Defense to implement additional programs, such as the National Defense Features Program. I am working with Senator LOTT to redraft this provision in a way that will not limit United States national security options.

Mr. LOTT. Acknowledging the valid concerns raised by Representative